

Overview of National Flood Insurance Program (NFIP) Community Rating System (CRS) Activities (May 2002)

The CRS has 18 floodplain management activities available for credit divided into four categories. Credit for each activity is scored on the basis of a point system with a maximum total of **13,915** points possible.

Public Information (Series 300)

This series credits programs that advise people about the flood hazard, flood insurance, and ways to reduce flood damage. These activities also provide data needed by insurance agents for accurate flood insurance rating. They generally serve all members of the community and work toward all three goals of the CRS.

Series 300 – Public Information Activities		Total Points
310	Elevation Certificates*	142
320	Map Information	140
330	Outreach Projects	290
340	Hazard Disclosure	81
350	Flood Protection Library	30
360	Flood Protection Assistance	71
Total Possible Points		754

* This activity is a minimum requirement for participation in the CRS.

Mapping and Regulations (Series 400)

This series credits programs that provide increased protection to new development. These activities include mapping areas not shown on the FIRM, preserving open space, enforcing higher regulatory standards, and managing stormwater. The credit is increased for growing communities. These activities work toward the first and second goals of the CRS, damage reduction and accurate insurance rating.

Series 400 – Mapping and Regulations		Total Points
410	Additional Flood Data	1,230
420	Open Space Preservation	900
430	Higher Regulatory Standards	1,750
430LZ	Low Density Zoning	600
440	Flood Data Maintenance	226
450	Stormwater Management	670
Total Possible Points		5,376

Flood Damage Reduction (Series 500)

This series credits programs for areas in which existing development is at risk. Credit is provided for a comprehensive floodplain management plan, relocating or retrofitting floodprone structures, and maintaining drainage systems. These activities work toward the first goal of the CRS, damage reduction.

Series 500 – Flood Damage Reduction		Total Points
510	Floodplain Management Planning	235
520	Acquisition and Relocation	3,200
530	Retrofitting	2,800
540	Drainage System Maintenance	330
Total Possible Points		6,565

Flood Preparedness (Series 600)

Total Possible Points = 1,220

This series credits flood warning, levee safety, and dam safety programs. These activities work toward the first and third goals of the CRS, damage reduction and hazard awareness.

Series 600 – Flood Preparedness		Total Points
610	Flood Warning Program	200
620	Levee Safety	900
630	Dam Safety	120
Total Possible Points		1,220

Credit Points Earned, Classification Awarded, and Premium Reductions Given for Communities in the National Flood Insurance Program Community Rating System.

Credit Points	Class	PREMIUM REDUCTION	
		SFHA *	Non-SFHA**
4,500+	1	45%	5%
4,000 – 4,499	2	40%	5%
3,500 – 3,999	3	35%	5%
3,000 – 3,499	4	30%	5%
2,500 – 2,999	5	25%	5%
2,000 – 2,499	6	20%	5%
1,500 – 1,999	7	15%	5%
1,000 – 1,499	8	10%	5%
500 – 999	9	5%	5%
0 – 499	10	0	0

There are now over 900 communities receiving flood insurance premium discounts based on their implementation of local mitigation, outreach, and educational activities that go well beyond minimum NFIP requirements. While premium discounts are one of the benefits of participation in CRS, it is more important that these communities are carrying out activities that save lives and reduce property damage. These 900+ communities represent a significant portion of the Nation's flood risk as evidenced by the fact that over 66% of the NFIP's policy base is located in these communities.

Communities receiving premium discounts through the CRS cover a full range of sizes from small to large, and a broad mixture of flood risks including coastal and riverine. The following table lists the number of CRS communities by class as of October 1, 2001.

DATA AS OF OCTOBER 1, 2001

Class 9 = 394 (42%)

Class 8 = 362 (39%)

Class 7 = 134 (14%)

Class 6 = 33 (4%)

Class 5 = 12 (1%)

Class 4 = 2

Class 3 = 1

There are 938 CRS communities as of 10/1/01.

The CRS application process has been greatly simplified over the past several years based on community comments to make the CRS more user friendly as possible. Extensive technical assistance is also available for communities who request it.

Community application for the CRS is voluntary. Any community that is in full compliance with the rules and regulations of the NFIP may apply for a CRS classification better than class 10. The applicant community submits documentation that it is doing activities recognized in the CRS. A community applies by sending completed application worksheets with appropriate documentation to its FEMA Regional Office.

A community's CRS classification is assigned on the basis of a field verification of the activities described in its application. These verifications are conducted by the Insurance Services Office, Inc. (ISO), an organization that provides rating, actuarial, and forms writing services to the insurance industry. ISO is the entity that has been conducting community grading for fire insurance for many years and is now performing the grading of communities under the newly implemented Building Code Effectiveness Grading Schedule. This organization's resources provide an efficient means to carry out the field work involved with the CRS.

Additional CRS Benefits

It is important to note that reduced flood insurance rates are only one of the rewards a community receives from participating in the CRS. There are several other benefits.

- **First**, the CRS floodplain management activities provide enhanced public safety, a reduction in damage to property and public infrastructure, avoidance of economic disruption and losses, reduction of human suffering, and protection of the environment.
- **Second**, a community can evaluate the effectiveness of its flood program against a nationally recognized benchmark.

- **Third**, technical assistance in designing and implementing some activities is available at no charge.
- **Fourth**, a CRS community's flood program benefits from having an added incentive to maintain its flood programs over the years. The fact that the community's CRS status could be affected by the elimination of a flood-related activity or a weakening of the regulatory requirements for new development, should be taken into account by the governing board when considering such actions. A similar system used in fire insurance rating has had a strong impact on the level of support local governments give to their fire protection programs.
- **Fifth**, implementing some CRS activities, such as floodplain management planning, can help projects covered under this plan qualify for certain other federal assistance programs such as the Flood Mitigation Assistance Program (FMA), the Hazard Mitigation Grant Program (HMGP), and the U.S. Army Corps of Engineers

The CRS encourages state, local, and private programs and projects that preserve or restore the natural state of floodplains and protect these functions. The CRS also encourages communities to coordinate their flood loss reduction programs with Habitat Conservation Plans and other public and private activities that preserve and protect natural and beneficial floodplain functions.

CRS Program Verification and Recertification

Each year a community must recertify that it is continuing to perform the activities that are being credited by the CRS. Recertification is an annual activity that includes copies of projects conducted during the year, progress reports, and similar items that document continued implementation of the credited activities. Every few years, the community must also verify its program again. This is done on a cyclical basis and involves an onsite verification visit by a FEMA or ISO representative.

Community Responsibilities

As part of participating in the CRS, the community's Chief Executive Officer (CEO) must designate a staff person as the CRS Coordinator. The Coordinator is the point of contact for FEMA and the ISO/CRS Specialist on CRS matters. The CRS Coordinator should be someone familiar with the operation of all community departments that implement the credited activities.

A community must continue to implement its credited activities to keep its classification. Specifically, a community is responsible for:

- Cooperating with the ISO/CRS Specialist and the verification procedures,
- Recertifying each year that it is continuing to implement its activities,
- Submitting the appropriate documents with its recertification,
- Advising FEMA of modifications in its activities,
- Maintaining elevation certificates, other permit records, and old Flood Insurance Rate Maps forever,
- Maintaining other records of its activities until the next verification visit, and
- Participating in the cycle verification process.

Communities will receive periodic updates to the *CRS Coordinator's Manual* and other CRS materials. They are encouraged to order other background publications, attend CRS workshops, and ask their ISO/CRS Specialists for help in understanding the CRS credit criteria for their current and planned activities.